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APR 13

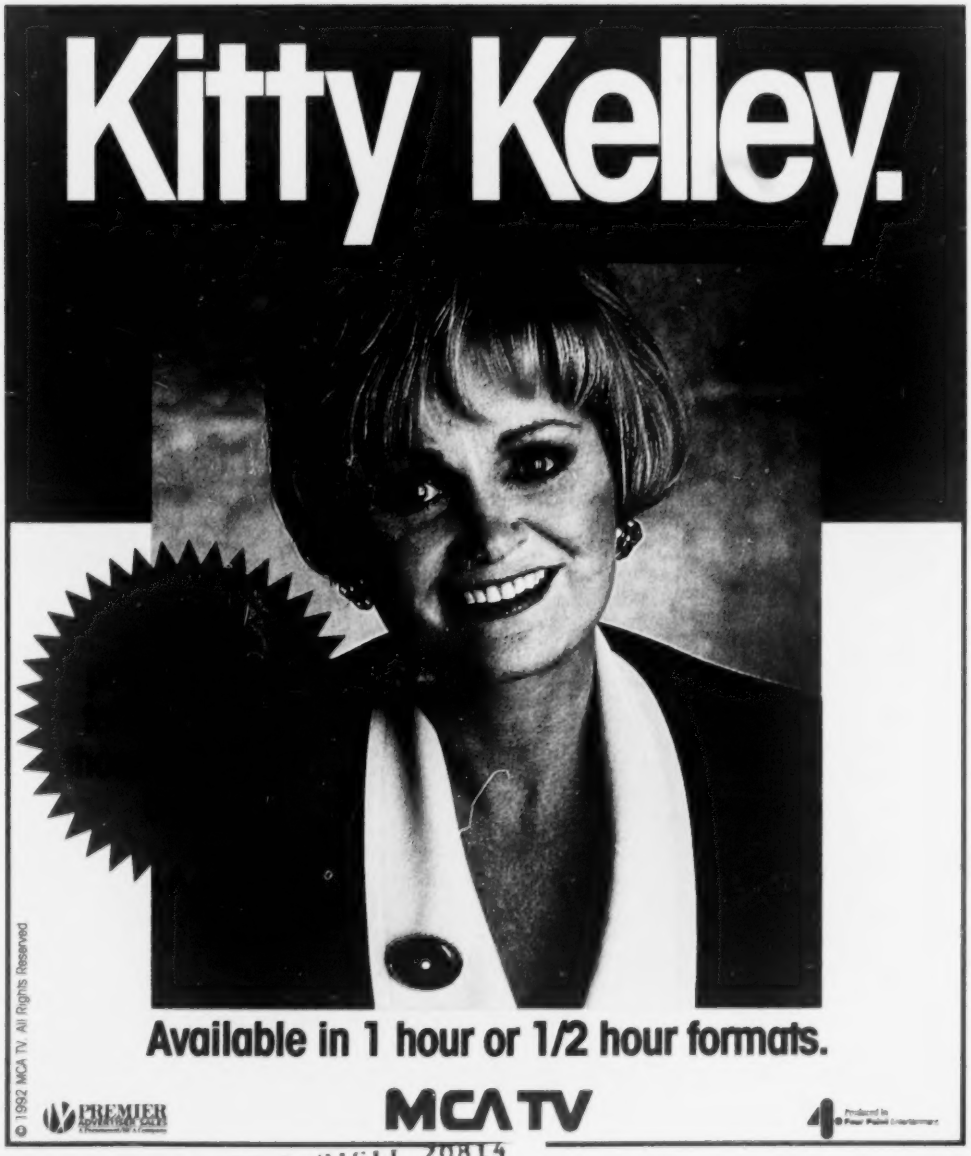
Broadcasting

FIRST IN TELEVISION CABLE RADIO SATELLITE

❑ EXCLUSIVE: BROADCASTING'S 1991 PROFITS FOR THE BIG THREE / 4

❑ CABLE BILL PASSES FIRST HOUSE HURDLE / 6

❑ SATURDAY MORNING THIS FALL: ABC, CBS OUTLINE PLANS / 24



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NAB '92

HDTV: TOO CLOSE FOR COMFORT?

Commission's five-year 'HDTV or bust' plan gets bad review from broadcasters; FCC also proposes 15-year time period for total HDTV conversion, seeks comments on simulcasting proposals of 100% and 50%

By Joe Flint

Broadcasters blasted the FCC's decision last week to give TV stations only five years to broadcast in HDTV once the agency green lights a standard and makes the extra channels available.

With those goals expected to be met next year, broadcasters would likely have to be on the air with HDTV by 1998. Initial eligibility for HDTV frequencies, the FCC again said, will be limited to existing broadcasters for those first five years.

One irate group owner said the FCC's action "puts enormous capital demand on the industry without new revenue sources. They have taken one giant step backward. If this is part of the FCC's attic-to-basement review, the first step was in the basement."

If the 1993 goal of establishing an HDTV standard or a final table of HDTV allotments (whichever comes last) is met, the FCC proposed that broadcasters be allowed 15 years to totally convert to HDTV and turn in their current channels.

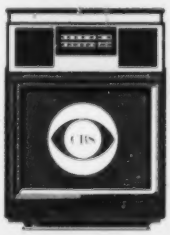
The cost of implementing an HDTV channel over several years has been estimated to be between $5 million and $12 million per station (see box, Page 14).

Reaction from the broadcasting industry ranged from skepticism to anger. Julian Shepard, general counsel of the Association for Maximum Service Television, said "this is not a per-

Continues on page 14.

BIG THREE'S '91 FINANCIAL RESULTS ADVERTISE A BAD YEAR

	Revenue (000)	% chg from 90	Profit (000)	% chg from 90
Radio Networks	$149,000	4%	$38,900	13%
Radio Stations	$169,200	-4%	$34,700	-33%
TV Network	$2,630,000	1%	$120,000	-51%
Owned TV's	$765,000	-5%	$399,000	-10%
Video Enterprises	$616,500	10%	$123,500	17%
Total Broadcast	$4,329,700	1%	$716,100	-19%



Radio Networks	$62,000	3%	$500	-75%
Radio Stations	$183,600	-3%	$29,400	-16%
TV Network	$2,388,300	-7%	($439,300)	NM
Adjusted TV Network	$2,388,300		($153,300)	NM
Owned TV's	$401,100	-8%	$140,100	-15%
Total Broadcast	$3,035,000	-7%	($271,300)	NM

TV Network	$2,531,000	-5%	($50,000)	NM
Adjusted TV Network	$2,531,000		($30,000)	NM
Owned TV's	$555,000	-7%	$219,000	-15%
Cable	$35,000	NM	($15,000)	NM
Total Broadcast	$3,121,000	-4%	$154,000	-56%

By Geoffrey Foisie

BROADCASTING's annual revenue and profit breakdown for the three largest broadcast groups reveals a generally dismal year: With revenue of $10.5 billion and operating income from ongoing operations of $600 million, the big three had a combined operating margin of under 6%, the worst in at least 20 years.

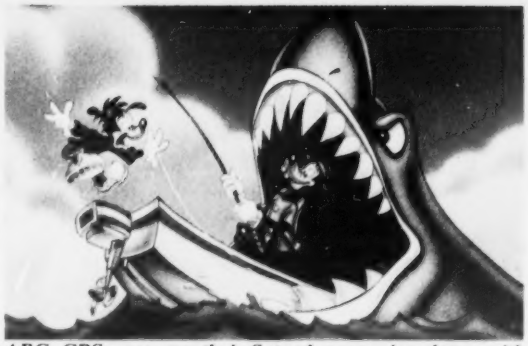
ABC became the number-one billing TV network in 1991—surpassing NBC—and was the only network to show an operating profit.

Once again the big three proved good at holding down costs, with overall expenses up 3.8%, barely above inflation.

Much of the poor network profit results can be attributed to losses on professional sports. CBS lost almost $90 million this year on its football and baseball telecasts; ABC $50 million in

Continues on page 16.

This Week



ABC, CBS announce their Saturday morning slates, with 'Goof Troop' (ABC) among the new entrants (p. 24)

HDTV FAST TRACK / 4

Broadcasters are balking at an FCC requirement calling for a five-year timeframe for switching over to HDTV.

KIDS' LINEUP / 24

ABC will add three new shows to its Saturday morning schedule and CBS four. Recent films inspired three new entries: *The Addams Family* (ABC), *Fievel's American Tails* (CBS) and *Disney's The Little Mermaid* (CBS).

CAB FARE / 32

The day is close at hand when a local cable system and a broadcast station will combine their sales efforts, attendees at the Cable Advertising Bureau conference were told.

HARD CHOICES FOR RADIO / 34

The radio broadcast data system, which enables the digital transmission of information to FM receivers, has broadcasters pondering a dilemma: should they embrace the technology now, or wait for a standard that accommodates AM?

LICENSE LIMBO / 37

There was no clear indication at last week's Senate Copyright hearing of where members will eventually stand on compulsory license repeal. Their uncertainty suggests that further Senate action is unlikely this year.

NAB's Eddie Fritts on convention eve: long on the long-term (p. 56)

TELCO-CABLE PLAYING FIELD / 41

A new Rand study recommends that telephone companies receive the same regulatory treatment as cable operators if they enter the video delivery business.

AD FUTURES / 44

In the last of a series, BROADCASTING looks at the impact of promotion plans, technology, channel capacity and demographics on TV advertising.

SPECIAL REPORT: NAB '92 / 48

FCC Chairman Alfred Sikes and NAB President Eddie Fritts take the long view on broadcasting.

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Incorporating The Fifth Estate TELEVISION Broadcasting ■ Cable

Broadcasting (ISSN 0007-2028) (GST #123947357) is published weekly, with one additional special issue in January by The Cahners Publishing Co. Subscription includes all issues. Cahners Publishing Co., at 475 Park Ave. South, New York, NY 10016, is a division of Reed Publishing USA. 275 Washington St., Newton, MA 02158-1630. Terrence M. McDermott, President, Chief Operating Officer. Frank J. Sibley, Executive Vice President. John J. Beni, Senior Vice President, General Manager. Neil Perlman, Senior Vice President, Group Publisher. Jerry D. Seth, Senior Vice President, Publishing Operations. J.J. Walsh, Senior Vice President, Finance. Thomas J. DeFalaiaty, Senior Vice President, Production & Manufacturing. Ralph Knapp, Vice President, Human Resources. Neal Vitale, Vice President, Consumer Publishing. Second class postage paid at New York, NY, and additional mailing offices. Postmaster, please send address changes to *Broadcasting*, P.O. Box 715, Brewster, NY 10509-0715. *Broadcasting* copyright 1992 by Reed Publishing USA. Robert L. Krakoff, Chairman, Chief Executive Officer. Annual subscription rates: USA, $85; Canada, $129 (includes GST); Foreign Air, $180; Foreign Surface, $149. Single copies are $2.95, special issues, $4.50. Please address all subscription mail to: *Broadcasting*, P.O. Box 715, Brewster, NY 10509-0715. Microfilm of *Broadcasting* is available from University Microfilms, 300 North Zeeb Road, Ann Arbor, Mich. 48106 (1-800-521-0600).

SIKES FLOATS TV DEREG OPTIONS

By Harry A. Jessell

FCC Chairman Alfred Sikes got the ball rolling last week on television deregulation, circulating among the other commissioners options—ranked from most to least deregulatory—for relaxing TV's national multiple ownership, local duopoly and one-to-a-market rules, according to FCC sources.

Chief among the "most deregulatory" options was the one to double the national multiple ownership cap from 12 to 24 stations, the sources said.

It was unclear what would happen to the coverage cap (25% of all TV homes) under the option and the higher caps for minorities (14 stations and 30%).

A duopoly option would permit a single VHF-UHF combination in markets with a full complement of network affiliates and a certain number of independents, the sources said. Another option would permit co-owned stations that are closer together by allowing some overlap of grade B contours, while continuing to prohibit grade A overlap.

The one-to-a-market rule, already weakened by a liberal 1988 waiver policy, prohibits common ownership of television and radio in the same market. The three options: (1) repeal the rule; (2) permit AM-TV crossownership; (3) permit AM-FM-TV crossownership.

The options are more moderate than those that led to substantial relaxation of the radio national and local ownership restrictions last month. The modest approach may be a response to the strong negative reaction to the new radio rules on Capitol Hill (See "Closed Circuit").

"Reaction to the radio issue was in anticipation of the TV issue," NAB President Eddie Fritts said. "It may be a shot across the bow."

Sikes hopes to turn the options into specific proposals at the FCC's open meeting in May or June. ■

BIG 3'S 91 FINANCES

Continued from page 4.

sports overall, and NBC probably a similar amount. But other network divisions lost money as well, in part because of the direct costs and lost revenue from Gulf War news coverage.

The network revenue results (see chart) would have been even worse if not for contributions from foreign programing sales and other ancillary revenue. The ABC television network, for example, actually had lower billings, but the inclusion, for the first time, of results from its WTN subsidiary raised network division revenue.

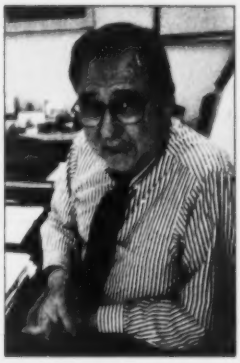
A weakened economy, particularly at the local level, affected the owned TV and radio stations. Radio stations, which are especially dependent on local revenue, were hurt most, with profits declining at both ABC and CBS.

For the radio networks, revenue was actually up, although CBS profits were hurt by war coverage and rights fees. The owned-TV-station groups had margins of 35% (CBS); 39% (NBC), and 52% (Capital Cities/ABC).

A non-advertising revenue source—ESPN's NFL surcharge to cable operators—helped Capital Cities/ABC's Video Enterprises division show a healthy increase in revenue and profits. As a result, the division earned more in 1991 than the ABC television network.

Editor's note: In the chart on page 4, television network revenue is net of agency commission and may include international, home video, color-insertion and ancillary revenue. Owned-TV stations revenue does not include compensation from TV networks. Adjusted TV network profits exclude that portion of "reserves" taken last year against losses expected to occur in 1992 and 1993 from professional sports telecasts. For CBS, this future reserve is $286 million pre-tax; for NBC it is estimated to be $20 million. NBC now reports profit, but no revenue, from WKYC-TV Cleveland, in which it sold the majority ownership in December 1990. NBC profit excludes $105 million gain on sale of Columbia Home Video. NBC began reporting revenue for CNBC in June of this year, after purchasing the remaining outstanding stake in the basic cable network. The ABC TV network began reporting the results of Worldwide Television News in late 1990 after increasing ownership stake to 80%. Broadcast segment profits for Capcities/ABC and NBC each include roughly $50 million of non-cash merger-related goodwill "expense" that accounting rules require, but which are included here to give a better picture of operating profit. Some percentage changes may not correspond to previously reported totals due to changes in methodology. ■

DESALES STREET



Beginning an occasional column of reflection from BROADCASTING's headquarters on Washington's DeSales Street, aptly named for Saint Francis de Sales, the patron saint of writers and journalists.

This publication has always been adamant in its opposition to industry codes of any sort, reasoning—accurately—that whatever the industry can do voluntarily the government can mandate as law. That's exactly what happened with the time standards of the old—now outlawed—National Association of Broadcasters code, later held to be anticompetitive by the Justice Department. Our opposition to such intrusions, on First Amendment as well as other grounds, remains total. So don't let the editorial page read this page.

But what if the FCC decided on its own to set limits on the number of commercials? Would programing be enhanced by having fewer than 36 commercials in a two-hour movie? Would the public interest be served by having more than 22 minutes of news in the evening news? Would radio sound better with fewer than 300 spots a day?

We don't have the answers to those esthetic questions, but we do know there'd be a quantum change in the Fifth Estate. Enough, perhaps, to turn the industry around. For the cruel fact is that radio and TV are awash in a sea of inventory that threatens to swamp them both.

First there was the 1980's increase in stations, each new entry contributing to inventory by a factor of roughly 18 hours a day times seven days a week times 12 spots an hour. ■ In radio, of course, there was 80-90, adding hundreds of stations to an already crowded aural spectrum. ■ Then the networks increased their inventories by scheduling into the night and before the dawn. ■ Then came the 15-second spot, compounding the explosion in inventory introduced by the 30-second spot. ■ Then came cable, further fragmenting the marketplace with its own massive spot inventory. ■ Compounding all this has been the erosion in ratings for both network and spot, resulting—as this publication reported last week—in a net reduction in GRP.

And if all that weren't enough, here comes digital compression.

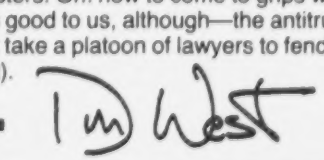
We put this conundrum to Ralph Becker, a principal in Television Station Partners (six television stations) who cares deeply—and seriously—about the business. "This industry doesn't understand the basic law of supply and demand," Ralph declared. "When demand for time slows down, you should cut inventory and raise the rates."

That's how the government pushed ABC into being a true third network by passing the Prime Time Access Rule, which reduced the number of time slots in which all the networks had to compete against each other and—by reducing spot inventory—increased the value of everyone's time. It was a flagrant violation of the First Amendment and an unconstitutional intrusion into the broadcaster's programing discretion, and it made everybody rich.

Ralph went on to suggest that what television needs is some sort of summit conference of owners to deal with the real problems that face the industry—"How To Avoid Doing Business As Usual In a Time of Revolutionary Change." Not on the agenda: how affiliates can squeeze another minute out of the Masters. On: how to come to grips with an inventory epidemic. It sounds good to us, although—the antitrust laws being what they are—it might take a platoon of lawyers to fend off Justice (or bail everybody out).

Better to let the FCC do it.

We'd oppose it, of course. ■



Broadcasting's Ratings Week ■ Mar 30-Apr 5

	ABC	CBS	NBC	FOX
MONDAY	27.3/42	10.5/16	9.9/15	NO PROGRAMING
8:00	4. Barbara Walters Special 19.3/31	31. Evening Shade 12.7/19	27. Fresh Prince 13.1/20	
8:30		39. Major Dad 12.1/18	42. Blossom 11.6/17	
9:00	1. Academy Awards 29.8/50	49. Murphy Brown 11.1/16	72. NBC Monday Night Movie—The Chase 8.6/13	
9:30		65. Designg Wmn 9.3/14		
10:00		68. Northern Exposure 8.9/14		
10:30				
TUESDAY	16.6/27	13.1/21	12.8/21	NO PROGRAMING
8:00	8. Full House 17.5/28	13. David Copperfield Special 15.8/24	29. In the Heat of the Night 13.0/20	
8:30	6. Home Improvmt 18.6/28			
9:00	2. Roseanne 23.6/36	41. CBS Tuesday Movie—The Price She Paid 11.7/19	33. Law and Order 12.6/20	
9:30	7. Room for Two 18.0/28			
10:00	52. Civil Wars 10.8/19		30. Dateline NBC* 12.9/23	
10:30				
WEDNESDAY	11.5/19	11.6/19	13.7/23	NO PROGRAMING
8:00	37. Wonder Years 12.3/20	62. Davis Rules 9.8/16	9. Unsolved Mysteries 17.4/28	
8:30	24. Doogie Howser 13.2/21	75. Brooklyn Bridge 7.9/13		
9:00	44. The Young Indiana Jones Chronicles 11.5/18	22. Jake and the Fatman 13.3/21	21. Seinfeld 13.9/22	
9:30			44. Dear John 11.5/18	
10:00	53. Homefront 10.3/18	33. 48 Hours 12.6/22	49. Quantum Leap 11.1/20	
10:30				
THURSDAY	11.1/18	11.4/19	13.0/21	12.3/20
8:00	60. Columbo 10.0/16	47. Top Cops 11.3/19	31. Cosby 12.7/21	22. Simpsons 13.3/22
8:30			19. A Diffrnt World 14.0/23	65. Drexell's Class 9.3/15
9:00		55. Street Stories 10.2/16	13. Cheers 15.8/25	24. Beverly Hills 90210 13.2/21
9:30			15. Wings 15.0/23	
10:00	24. Primetime Live 13.2/23	33. Knots Landing 12.6/22	53. L.A. Law 10.3/18	
10:30				
FRIDAY	15.2/27	6.8/12	8.9/16	6.9/12
8:00	18. Family Matters 14.4/26	87. Hammer, From the Heart 6.2/11	55. Matlock 10.2/18	79. Fox Movie Special—Live! From Death Row 6.9/12
8:30	19. Step By Step 14.0/25			
9:00	27. Dinosaurs 13.1/23	78. Tequila and Bonetti 7.5/13	62. I'll Fly Away 9.8/17	
9:30	49. Baby Talk 11.1/20			
10:00	5. 20/20 19.2/35	80. Top Cops 6.8/12	80. Nightmare Cafe 6.8/12	
10:30				
SATURDAY	8.3/15	16.4/30	9.6/17	9.4/17
8:00	82. Who's the Boss? 6.6/12	18.NCAA Basktball 14.5/27	42. Golden Girls 11.6/21	70. Cops 8.7/16
8:30	77. Billy 7.6/13		57. Powers That Be 10.1/18	57. Cops 2 10.1/18
9:00	86. Perfect Strang. 6.4/11	10. NCAA Basketball Championship—Duke vs. Indiana 16.8/30	36. Empty Nest 12.4/22	65. America's Most Wanted 9.3/16
9:30	70. Growing Pains 8.7/15			
10:00	57. The Commish 10.1/19		75. AFI Life Achievement Award 7.9/14	
10:30				
SUNDAY	9.7/16	17.3/28	8.3/14	9.0/15
7:00	84. Life Goes On 6.5/12	3. 60 Minutes 20.3/38	82. I Witness Video 6.6/12	89. True Colors 5.1/10
7:30				88. Parker Lewis 5.4/10
8:00	17. Am Fun Hme Vid 14.6/24	12. Murder, She Wrote 16.5/26	72. Mann & Machine* 8.6/14	74. Roc 8.0/13
8:30	37. Am Sup Shcase 12.3/19			48. In Living Color 11.2/17
9:00	64. ABC Sunday Night Movie—Seduction: 3 Tales from the Inner Sanctum 9.4/15	11. CBS Sunday Movie—Field of Dreams 16.6/27	68. NBC Sunday Night Movie—Steel Justice 8.9/14	16. Married w/Childn 14.7/22
9:30				46. Herman's Head 11.4/18
10:00				61. St by Your Man* 9.9/16
10:30				84. Get a Life 6.5/11
WEEK'S AVGS	14.0/23	12.7/21	10.8/18	9.3/16
SSN. TO DATE	12.2/20	13.8/23	12.3/20	8.0/13

RANKING/SHOW (PROGRAM RATING/SHARE) *PREMIERE SOURCE: A.C. NIELSEN YELLOW TINT IS WINNER OF TIME SLOT

FIRST-QUARTER CABLE SERVICE RATINGS: 1992 VS. 1991

Network	Prime Time				Full Day			
	1Q 92 Rating	HH	1Q 91 Rating	HH	1Q 92 Rating	HH	1Q 91 Rating	HH
USA	2.5	1,427,000	2.4	1,331,000	1.4	802,000	1.3	724,000
WTBS	2.3	1,310,000	2.5	1,391,000	1.5	839,000	1.6	878,000
ESPN	1.7	965,000	1.5	865,000	0.8	458,000	0.7	400,000
TNT	1.5	809,000	1.6	815,000	1.0	578,000	0.9	473,000
TNN	1.3	695,000	1.1	579,000	0.6	349,000	0.5	272,000
Family	1.2	643,000	0.9	471,000	0.7	405,000	0.7	360,000
Lifetime	1.2	638,000	1.2	629,000	0.7	361,000	0.7	347,000
Discovery	1.1	634,000	1.0	523,000	0.6	365,000	0.5	280,000
CNN	1.0	565,000	4.0	2,297,000	0.6	356,000	2.9	1,637,000
Nick at Nite	1.0	562,000	1.0	532,000	0.7	393,000	0.6	319,200
A&E	0.8	415,000	0.6	296,000	0.5	261,000	0.4	192,000
MTV	0.7	386,000	0.6	317,400	0.5	276,000	0.5	264,500
Headline	0.4	172,000	0.7	336,000	0.4	187,000	0.6	282,000
VH-1	0.3	133,000	0.3	116,000	0.2	88,000	0.2	77,400
Nickelodeon	—	—	—	—	1.2	674,000	1.2	638,400

Notes: Figures are network estimates. All data are supplied by an outside source based on Nielsen Media Research. Ratings are based on the coverage area of each network, not the entire television universe. USA's prime time is 7-11 p.m.; Family's is 7-10 p.m.; Discovery and TNN's full day is 9 a.m.-3 a.m.; Lifetime's and Family's is 7 a.m.-1 a.m.; A&E's is 8 a.m.-4 a.m.; Nickelodeon's is 7 a.m.-6 p.m.; Nick at Nite's is 8 p.m.-7 a.m.

Cable network ratings for the most part remained steady or showed slight gains in the first three months of the year compared with first-quarter 1991 figures.

Among those showing the biggest gains was the Family Channel, which, following an aggressive marketing campaign, saw its prime time rating rise from a 0.9 rating, representing 471,000 households, to a 1.2, representing 643,000.

Taking the most dramatic dive in year-to-year ratings was Cable News Network, which last year was riding high on its coverage of the Persian Gulf War. The news channel saw its full-day rating drop from 2.9 in the first quarter of 1991 to a 0.6 for the same period in 1992. Full-day household numbers during the period fell from 1,637,000 to 356,000. On a prime time basis, the network dropped from a 4.0, representing 2,297,000 households, to a 1.0, representing 565,000. ■

ror Cable Television. "I think you're going to see those egos have dropped by the wayside, and 98% of the industry is working together."

On the cable network advertising side, NBC's president and chief executive officer, Robert C. Wright, called upon the cable industry to make a greater effort at showing advertisers how well cable can move product and thereby capture a healthy share of the $100 billion allocated to national marketing dollars each year.

"We have to work harder to open the eyes of advertisers," Wright said.

At least one form of promotion—the new-car rebate—is likely to fade out and re-emerge as ad dollars, according to John B. Vanderzee, advertising manager, Ford Motor Co.

Also offering his own predictions for change in the cable business was TBS Chairman and President Ted Turner. Tiering of channels is "inevitable but not necessarily disastrous," he said, and the cable industry will have to do a much better job at public relations in the face of government reregulation.

"A lot depends on what happens legislatively," Turner said of the future of the cable industry. "Ten years ago it was easier to predict." ■

19 out of 20 News Directors Agree.

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CABLE RATE HIKES NOT EXCESSIVE, STUDY CLAIMS

Industry-backed study says once-regulated prices have simply caught up with CPI

By Joe Flint

The 61% price increase for basic cable service from 1986 to 1991 was the result of the cable industry playing catch-up with the overall consumer price index following years of regulation, according to a working paper by the Center for Study of Public Choice at George Mason University. And while rates went up, the study says, so did spending on programing and customer service.

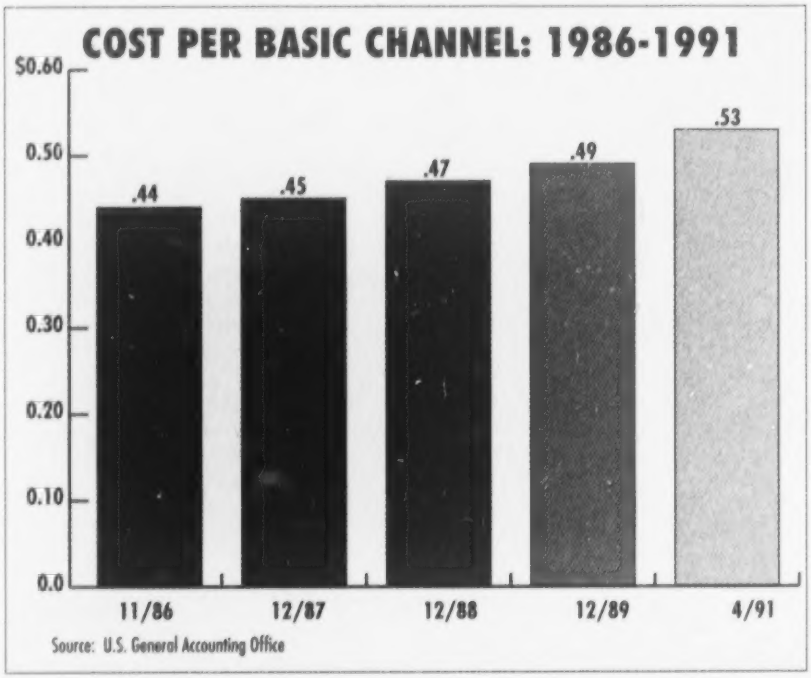
The industry-backed study, titled "The High Costs of Cable Regulation," was released last week just as the Cable Television Consumer Protection and Competition Act was set to be voted on by the House Telecommunications Subcommittee (see story, "Top of the Week"). The study was also the subject of an opinion piece in last Tuesday's *Wall Street Journal* by James Miller, chairman of Citizens for a Sound Economy and former director of the Office of Management and Budget, 1985-88. The study was commissioned by Jim Savarese, of Savarese & Associates, which was retained by the National Cable Television Association.

According to the study, "throughout the period of rate regulation, cable rate increases lagged far behind inflation." From 1972 through 1986, the study says, basic cable rates grew by 89.6%, while the consumer price index for all consumer items increased by 162%.

Given that lag, the writers—Robert Ekelund of Auburn University and Robert Tollison of George Mason University—argue significant rate increases could be expected.

When those rate increases from 1986 to 1991 are averaged with the increase in basic cable channels, the study says, the increase in "the nominal price per basic service channel between 1986 and 1991 is smaller ($0.01) than the inflation-adjusted price per channel."

In November 1986, the most popular tier of basic service cost $11.71 per month and carried 27.1 channels. In April 1991, according to General Accounting Office calculations, the most popular tier of service cost $18.84 per month and carried 35.3 channels.



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OPPORTUNITY AND PROFIT DON'T KNOCK. THEY RING.

meaning that the monthly price per basic channel grew "by only $0.09, from $0.44 in November 1986 to $0.53 in April 1991."

The increases, the study says, were used to improve programing: "The period of local price deregulation coincided with enormous growth in cable investments in programing and technology. For example, cable operators' annual investment in basic cable programing jumped from roughly $300 million in 1984, when the Cable Act was passed, to almost $1.5 billion in 1991—a five- fold increase."

There were similar increases in investments in facilities and technology. According to the study, the proportion of cable systems with more than 30 channels since 1984 has grown from 38% to 72%, with the "cable industry ready to spend an additional $15 billion by the year 2000."

Rate deregulation, the study argues, also has had no negative impact on cable penetration or subscriber base, meaning that "if rates go up and penetration does not go down, this indicates that demand for the product must have increased.... It must be the case that consumers prefer the improved product at the higher rate to the former product at the lower [regulated] rate."

While the study concedes that "evidence of increased penetration does not prove that cable rates are perfectly competitive, it does show that deregulated rates are closer to the competitive level and provide greater consumer satisfaction than the rates that were allowed by municipal regulators." Price deregulation, the study concludes, "has worked."

This is not the first time the study's authors have worked on issues confronting the cable industry. Ekelund recently completed a study of competition and the price of municipal cable TV services that says that a likely scenario of a return to local regulation is that local governments and politicians "expropriate political gains from regulation and grants of exclusive franchises." Says the paper: "The largest part of political gains from local regulation come in the form of concessions given to local governments and to non-producer interest by the cable firm which is, in effect, 'taxed by regulation.' " The "cash cows" described by the paper "provide substantial yearly pecuniary gains, nonmonetary benefits to politicians (positions on cable boards, and so on) and required 'service to consumers' that are given the aura of "public goods by rent-seeking local politicians." Competition, the paper concludes, may prove to be the most efficient outcome when contrasted to partial or full regulation at local government levels." ■

CONSUMER GROUPS PRESS HARD ON CABLE REREG

Nader targets congressmen, pushes Public Citizen members for support of Markey bill

By Joe Flint

While the cable and broadcast industries lobbied Capitol Hill last week over the proposed reregulation of cable, consumer advocate Ralph Nader was, as usual, not shy about taking his case to the American public. But even after the elimination of a Nader-backed amendment, which would have had local governments certify a cable consumer action group to watch over the cable regulatory process, Nader and his associates will continue to be heard from.

At a press conference early last week, Nader said that Representative Mike Oxley (R-Ohio), who likened the proposed consumer watchdogs to "video vigilantes," and his peers want to "simply design a monopoly cable industry to have its way, but they will hear more and more from the people at home."

Nader's efforts are not limited to press conferences. Public Citizen, the consumer activist group he heads, sent a mailing to its 250,000 members targeting congressmen—particularly Representatives Matt Rinaldo (R-N.J.), Bill Richardson (D-N.M.),

Ralph Nader (l) and Jeff Chester urge support of Markey bill

Thomas Manton (D-N.Y.) and James Scheuer (D-N.Y.)—who were holding up Representative Ed Markey's (D-Mass.) cable bill. A typical letter includes the member's office number. Said a typical letter: "Please call the office of Rep. Rinaldo today and let him know you support Rep. Ed Markey's bill. If you have time send him a letter. BUT DON'T WAIT. Every hour counts."

Another organization that Nader works with—Essential Information—reported last week that cable/political action committees disbursed $371,367 to Telecommunications Subcommittee members. Said Nader: "These contributions exemplify the need for greater consumer representation in a political process that undemocratically favors the cable monopoly companies."

Articles saying how much cable PAC's contributed to Manton and Scheuer surfaced in local papers and the *New York Times*, and a similar article appeared in Representative Richardson's local newspaper. Nader also discussed the issues on the ABC Radio Network. Said Jeff Chester, co-director, Center for Media Education: "The National Association of Broadcasters and the National Cable Television Association are doing the same thing. All week I have been stumbling over these guys. Unfortunately, the media industry creates the media policy. We are trying to insert public policy."

Said Nader at last week's press conference: "If Congress won't listen this time, they will listen next time."

The defeat of the cable consumer action group amendment does not appear to have slowed down Nader and Chester. Said Chester: "We are in for the long haul. We don't want Jim Mooney [president, National Cable Television Association] making telecommunications policy for the United States." ■

Changing Hands

KRTW(TV) Baytown (Houston), Tex. □ Sold by Pray Inc. to Patriot Broadcasting Inc. for $12.7 million cash. **Seller** is headed by Eldred Thomas, and has interests in licensees of KVTT(FM) Dallas and KLTJ(TV) Galveston, both Texas. **Buyer** is headed by Bess Harrison, and has no other broadcast interests. KRTW is independent on ch. 57 with 5,000 kw visual, 500 kw aural and antenna 981 feet above average terrain.

KSGB(AM) University Park (Dallas), Tex. □ CP sold by Stuart Gaines Broadcasting Corp. to Dalworth Broadcasting Corp. for $875,000. Terms: $25,000 escrow deposit, $150,000 cash at closing, $275,000 promissory note, $350,000 assumption of seller's secured note and $75,000 five-year noncompete covenant. **Seller** is headed by John R. Stuart and Mary Gaines, who are permittees of class A FM at Gregory, Tex. **Buyer** is headed by Jonathan Trip, and has no other broadcast interests. KSGB has religious format on 1540 khz with 50 kw day and 1 kw night. *Broker: Norman Fischer & Associates Inc.*

WRNO-FM New Orleans □ Sold by Gulf South Broadcasters Inc. to Radio WRNO-FM Inc. for $770,000. Terms: $250,000 cash at closing, $500,000 on terms, $100,000 assumption of seller's accounts payable and $20,000 consulting fee. **Seller** is headed by Joseph M. Costello III, who controls international station WRNO Worldwide. Costello also owns stock of licensee of KXOR(FM) Thibodaux, La., to be transferred to him prior to consummation of WRNO-FM. He also has interests in KKAY-AM-FM Whitecastle-Donaldsonville, La. **Buyer** is headed by Thomas R. Galloway Sr., 100% owner of licensees of KPEL(AM)-KTDY(FM) Lafayette and WGMB(TV) Baton Rouge, both Louisiana; KEZA-(FM) Fayetteville, Ark., and KPEJ(TV) Odessa, KWKT(TV) Waco and KVEO(TV) Brownsville, all Texas. WRNO-FM has rock format on 99.5 mhz with 100 kw and antenna 1,049 feet above average terrain.

WCLZ-AM-FM Brunswick, Maine □ Sold by Ross W. Elder, receiver for Eastern Radio Company II, to W.A. Devereaux for $525,000 cash. **Seller** has interests in WNLX(AM)-WTYD(FM) New London, Ct. **Buyer** is former executive with American Cable Systems, with interests in several radio and TV properties. WCLZ(AM) is on 900 khz with 1 kw day. WCLZ-FM is on 98.9 mhz with 47.5 kw and antenna 400 feet above average terrain. Stations simulcast adult alternative format. *Broker: Media Services Group.*

KTCR(AM)-KOTY-FM Kennewick, Wash. □ Sold by I-82 Acquisition Corp. to KOTY-FM Inc. for $450,000. Earlier sale of station to First Radio West Corp. was approved but did not close ("For the Record," Jan. 20). Terms: $250,000 cash at closing and $200,000 interest-bearing note at 9.5% due September 1996. **Seller** is headed by W.D. Siegenthaler, and is also licensee of KUTI(AM)-KXDD(FM) Yakima, Wash. **Buyer** is headed by Carl T. Robinson and William C. Moyes, 50% stockholders of licensee of KVOR(AM)-KSPZ(FM) Colorado Springs. KTCR is fulltimer with news-talk format on 1340 khz with 1 kw. KOTY has country format on 106.5 mhz with 100 kw and ant. 1,076 feet above average terrain.

PROPOSED STATION TRADES

By volume and number of sales

This Week:

AM's □ **$875,000** □ **1**

FM's □ **$1,002,700** □ **4**

AM-FM's □ **$1,239,000** □ **4**

TV's □ **$12,775,000** □ **2**

Total □ **$15,891,700** □ **11**

1992 to Date:

AM's □ **$13,329,255** □ **41**

FM's □ **$47,173,246** □ **62**

AM-FM's □ **$55,749,098** □ **32**

TV's □ **$244,558,000** □ **15**

Total □ **$360,809,590** □ **150**

For 1991 total see Jan. 27, 1992 BROADCASTING.

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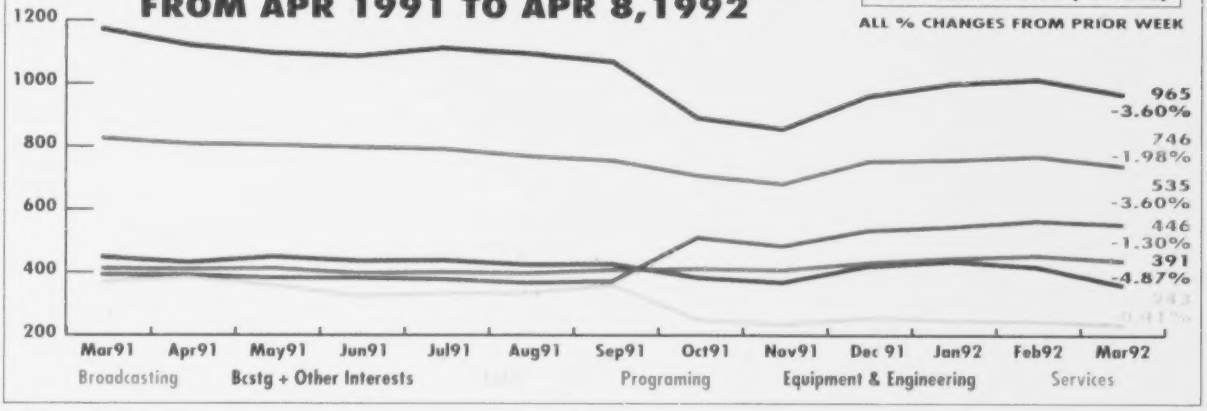
Broadcasting's By The Numbers

STOCK MARKET PERFORMANCE AVERAGES FROM APR 1991 TO APR 8,1992

NASDAQ: 573.68 (-4.72%)
S&P Ind.: 470.91 (-2.16%)
ALL % CHANGES FROM PRIOR WEEK



LATE NIGHT LAUGHS

Number of jokes made about presidential candidates on Tonight Show and Late Night with David Letterman from Jan. 1- Mar. 16

President Bush

Bill Clinton

Paul Tsongas

Jerry Brown

Source: Center for Media and Public Affairs

SUMMARY OF BROADCASTING & CABLE

BROADCASTING

Service	ON AIR	CP's[1]	TOTAL*
Commercial AM	4,984	232	5,216
Commercial FM	4,605	1,010	5,615
Educational FM	1,518	320	1,838
Total Radio	**11,107**	**1,562**	**12,669**
Commercial VHF TV	557	15	572
Commercial UHF TV	581	168	749
Educational VHF TV	123	5	128
Educational UHF TV	234	9	243
Total TV	**1,495**	**197**	**1,692**
VHF LPTV	438	154	592
UHF LPTV	772	859	1,631
Total LPTV	**1,210**	**1,013**	**2,223**
FM translators	1,884	358	2,242
VHF translators	2,517	74	2,591
UHF translators	2,316	386	2,702

CABLE

Total subscribers	55,786,390
Homes passed	92,040,450
Total systems	11,254
Household penetration†	60.6%
Pay cable penetration/basic	79%

* Includes off-air licenses. † Penetration percentages are of TV household universe of 93.1 million.
[1] Construction permit. [2] Instructional TV fixed service. [3] Studio-transmitter link.
Source: Nielsen, NCTA and Broadcasting's own research.

Chase Communications Inc. has agreed to sell its 5% general and 35% limited partnership interest in WTOP(AM)-WASH(FM) Washington and KASP(AM)-WKBQ(FM) St. Louis to Evergreen Media Corp. Terms for the sale were not disclosed, and completion of the deal is subject to an agreement with Chase's limited partner, the Sheet Metal Workers Pension Fund. Chase retained Lehman Brothers late last year to help sell its broadcast properties in order to concentrate on other investments, including a 30,000-subscriber cable service in Poland, the birthplace of founder David T. Chase.

Richard Verne, president of Private Satellite Network—and before that group VP for LIN Broadcasting and president of NBC Radio—**is recovering at Mt. Sinai Hospital in New York from successful surgery to remove a benign brain tumor.** "Feeling good and lucky," Verne may be released early this week to recuperate at home on Long Island.

The Christian Science board of directors last week moved up the deadline on its proposed sale of the Monitor Channel, saying that the fledgling cable network would be closed if it is not sold by this Wednesday (April 15). Church leaders had announced last month that the news and information channel would have to be sold by June 15, but they decided to move up the deadline by two months when no buyer came forward. The Monitor Channel, less than three weeks shy of its one-year anniversary, had cost the church more than $250 million since 1986; its current monthly operating cost is estimated at $4 million.

A week after signing WNBC-TV New York, **Twentieth Television has sold *Cops* to KTTV(TV) Los Angeles** for daily stripping at 11-11:30 p.m. The show will replace Twentieth's dating strip, *Studs,* which also airs at 6:30. Although the New York and Los Angeles deals were for undisclosed cash licenses, Twentieth will be offering the series for cash plus barter starting in fall 1993. In related news, there was no word from the Tribune Entertainment on whether tabloid strip *Now It Can Be Told* has found a home in New York on Tribune O&O WPIX-TV after *Cops* displaces it on WNBC at 7 p.m.

NSS POCKETPIECE

(Nielsen's top ranked syndicated shows for the week ending March 29. Numbers represent aggregate rating average/stations/% coverage)

1. Wheel Of Fortune	14.0/218/94
2. Star Trek	12.3/238/98
3. Jeopardy!	12.1/211/93
4. Oprah Winfrey Show	10.8/222/99
5. Entertainment Tonight	8.4/187/96
6. Married...With Children	8.1/175/95
7. Current Affair	7.5/175/95
8. Cosby Show	7.2/202/96
9. Donahue	7.0/224/96
9. Imagination	7.0/185/97
11. Inside Edition	6.6/130/85
12. Sally Jessy Raphael	6.1/208/98
13. WKRP In Cincinnati	6.0/230/98
14. Hard Copy	5.9/170/92
14. MGM Premiere Network TV	5.9/155/93

'ROSEANNE' TOPS ABC RENEWAL LIST

At a press briefing on the end-of-the-season results, Bob Iger, president, ABC Entertainment, announced the network has reached an agreement with the Carsey-Werner Co. for a two-year renewal of *Roseanne* (for its fifth and sixth seasons). Despite the expected hike in license fee for the extension, Iger said, "we expect to continue to make money on the show."

Despite the network finishing in third place, Iger said ABC is in excellent shape for the future thanks to successful first-year series, including *Home Improvement*, *Step By Step* and *The Commish*. "Despite undergoing a radical change on five nights this year, we have the four top-rated new series and we're setting ourselves up for the future." Other first-year shows returning next season are *American Detective* and *FBI Stories*. "We may end up bringing back nine or 10 series that debuted this year," he said.

Iger also outlined five series debuting this summer: *Going to Extremes*, an hour from Joshua Brand and John Falsey, has been given a 13-episode commitment; David Lynch's *On the Air*, six episodes; *Julie*, starring Julie Andrews, six episodes; *Human Target*, an hour action show starring Rick Springfield, and *Jack's Place*, an hour from ABC Productions, starring Hal Linden. -SC

Reg Grundy Productions has retained Cannell Distribution Co. to handle sales of its originally formatted hour-long drama ***Dangerous Women,*** which will also be split into half-hour episodes for first-run stripping starting in fall 1992. Cannell plans to offer the series—starting at next week's NAB Convention in Las Vegas—in a package of 104 half-hours for stripping in morning, early fringe or late night, in addition to another 26 newly produced hours for weekly airing in prime access or prime time.

ABC has signed Oliver Stone to produce a six-hour "event series" designed to air over four or five weeks. *Wild Palms* is based on a comic strip in *Details* magazine and was created by screenwriter Bruce Wagner, who will also write the six-hour series. According to Bob Iger, ABC Entertainment president,